

AMENDED IN ASSEMBLY JUNE 30, 2003

AMENDED IN SENATE JUNE 3, 2003

AMENDED IN SENATE MAY 7, 2003

AMENDED IN SENATE APRIL 21, 2003

SENATE BILL

No. 916

Introduced by Senator Perata
(Principal coauthor: Senator Torlakson)
(Coauthor: Senator Burton)
(Coauthors: Assembly Members Leno, Mullin, and Wiggins)

February 21, 2003

An act to amend Section 14531 of the Government Code, to amend Sections 182.5, 188.3, 188.4, 30101, 30101.8, 30113, 30600, 30601, 30604, 30606, 30750, 30751, 30760, 30761, 30791, 30884, 30885, 30887, 30889.3, 30891, 30894, 30910, 30912, 30913, 30915, 30916, 30918, 30919, 30920, 30950, 30950.1, 30950.2, 30950.3, 30950.4, 30953, 30958, 30960, 30961, 31000, and 31010 of, to amend and renumber Section 188.10 of, to add Sections 30881, 30910.5, 30914.5, and 30922 to, and to repeal Sections 30603, 30605, 30608.2, 30752, 30753, 30754, 30755, 30756, 30757, 30762, 30762.5, 30763, 30764, 30764.5, 30765, 30766, 30767, 30791.7, 30792, 30792.2, 30793, 30794, 30795, 30886, 30888, 30889, 30896, and 30956 of, to repeal Article 5 (commencing with Section 30200) and Article 7 (commencing with Section 30350) of Chapter 1 of Division 17 of, to repeal and add Sections 30102.5, 30890, 30911, 30914, 30917, 30921, and 30951 of, the Streets and Highways Code, and to amend Section 5205.5 of the Vehicle Code, relating to transportation, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 916, as amended, Perata. Toll bridge revenues.

Existing law generally makes the California Transportation Commission responsible for establishing the rates charged vehicles for crossing the state-owned toll bridges. Under existing law, the Metropolitan Transportation Commission (MTC) is authorized to adopt a toll schedule in lieu of the one adopted by the California Transportation Commission for the state-owned toll bridges in the San Francisco Bay area. Existing law makes the MTC and the Bay Area Toll Authority (BATA), which is defined as the same body as the MTC, responsible for the programming, administration, and allocation of the revenue from the base toll charge collected from these bridges. Under existing law, a portion of this revenue is continuously appropriated to the Controller who is required to disburse these funds to the MTC to expend for purposes that reduce vehicular congestion on the bridges.

This bill would define the BATA as a separate entity governed by the same governing board as the MTC. The bill would make the BATA responsible for the programming, administration, and allocation of toll revenues from the state-owned toll bridges in the San Francisco Bay area and would authorize it to perform these functions with respect to the seismic retrofit surcharge once those projects are completed and provision is made for payment of the bonds issued for those purposes.

The bill would require the City and County of San Francisco and specified counties in the San Francisco Bay area to conduct a special election on a proposed increase of \$1 in the amount of the base toll rate charged on the state-owned toll bridges in that area, and would identify the purposes for which revenues from the toll increase would be used. The bill would specify that, except to meet its bond obligations, the toll schedule adopted pursuant to the results of this election may not be changed without the statutory authorization of the Legislature. The bill would require the BATA to reimburse from toll revenues, as specified, the counties and the City and County of San Francisco for the cost of submitting the measure to the voters. By requiring this election, the bill would impose a state-mandated local program. Because the bill would specify that the revenue resulting from the increased toll charge would be continuously appropriated to the MTC for expenditure on specified projects, it would make an appropriation.

The bill would require the allocation of toll revenues for the operation and maintenance of the transbay transit terminal under specified conditions.



The bill additionally would make related changes and would repeal obsolete provisions relating to the operation of toll facilities.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. ~~Statutory~~ Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: yes. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 14531 of the Government Code is
2 amended to read:

3 14531. (a) The commission may amend the state
4 transportation improvement program if the amendment meets
5 both of the following conditions:

6 (1) The request for the amendment is made by the entity that
7 submitted the project or projects that are in the program and are to
8 be changed by the amendment.

9 (2) The total amount programmed in each county for regional
10 improvements does not exceed the county's share prior to the
11 amendment, or the total amount programmed in each county is
12 treated as an adjustment to the share pursuant to Section 188.11 of
13 the Streets and Highways Code.

14 (b) Public notice of the proposed amendments to the program
15 or the plan shall be made at least 30 days before the commission
16 takes formal action on the proposed amendments. The notice shall
17 include the text and complete description of the proposed
18 amendments.

19 SEC. 2. Section 182.5 of the Streets and Highways Code is
20 amended to read:

21 182.5. (a) It is the intent of the Legislature that the transition
22 to the new programs and procedures established in the bill enacting
23 this section shall be fair and equitable and minimize disruptions in
24 the delivery of projects. With specific reference to the transition
25 from county minimums to county shares for regional
26 improvement, no project should be counted twice, no project that
27 would be counted under either the old or new procedures should

1 escape being counted in the transition, shares should be sufficient
2 to fund projects programmed in the 1996 State Transportation
3 Improvement Program for the same period, no incentive or reward
4 should be provided for delaying a project, and no incentive or
5 reward should be provided for allocating funds to a project earlier
6 than the year in which the funds are needed for the project.

7 (b) At the end of the fiscal year ending June 30, 1998, the
8 county minimums and county minimum deficits shall be
9 recalculated under the law as it existed prior to the enactment of
10 the bill adding this section.

11 (c) Notwithstanding Section 164, there shall be set aside
12 sufficient funding for every project that is included in the 1996
13 State Transportation Improvement Program. This funding shall be
14 set aside in the fund estimate prior to and in addition to the
15 distribution of funding between programs pursuant to Section 164.

16 (d) The amount of the cumulative county minimum deficit
17 calculated for any county pursuant to subdivision (b) shall be
18 carried forward as a county share for the 1998 State Transportation
19 Improvement Program, prior to and in addition to the computation
20 of county shares pursuant to subdivision (a) of Section 188.8.

21 (e) The commission shall not allocate funds for any project
22 unless the commission has programmed the state transportation
23 improvement program in a manner that complies with the
24 requirements of Sections 188, 188.8, and 188.11.

25 (f) Notwithstanding subdivision (a), for a county within the
26 region defined by Section 66502 of the Government Code where
27 funds were traded in the 1996 State Transportation Improvement
28 Program to another county in that region, the county share for that
29 county for the 1998 State Transportation Improvement Program
30 shall be increased by the amount of the trade in the 1996 State
31 Transportation Improvement Program, as if the share were a
32 county minimum deficit under subdivision (d).

33 (g) In adopting the 1998 State Transportation Improvement
34 Program, the commission shall, at a minimum, fund all intercity
35 rail projects that are included in the adopted 1996 State
36 Transportation Improvement Program. The amount of funds
37 programmed for each project shall not be less than the amount in
38 the 1996 State Transportation Improvement Program.

39 (h) The commission, after consulting with the department and
40 the regional planning agencies, shall adopt interim guidelines and

1 procedures relative to fund estimates and project selection in a
2 manner that the first state transportation improvement program,
3 pursuant to the provisions of the act adding this section, is adopted
4 not later than June 1, 1998.

5 SEC. 3. Section 188.3 of the Streets and Highways Code is
6 amended to read:

7 188.3. The cost of maintenance of all toll bridges under the
8 jurisdiction of the commission shall be paid out of money in the
9 State Highway Account.

10 SEC. 4. Section 188.4 of the Streets and Highways Code is
11 amended to read:

12 188.4. (a) Maintenance expenditures on all toll facilities
13 owned by the state shall, for accounting purposes, be classified as
14 Category A or Category B expenditures. Notwithstanding any
15 other provision of law, the cost of maintenance of toll facilities in
16 the geographic jurisdiction of the Metropolitan Transportation
17 Commission shall be paid in accordance with the following:

18 (1) Category A maintenance shall be paid from the State
19 Highway Account and shall include all normal highway
20 maintenance which would be performed by the state according to
21 state procedures as if the facility was a toll-free state facility.

22 (2) Category B maintenance shall be paid from toll revenues
23 and shall include all maintenance and reconstruction work of those
24 facilities such as toll facility administration buildings and toll
25 booths which are constructed primarily for the purpose of
26 collecting tolls.

27 (b) In no event shall the Category A maintenance expenditures
28 for the toll bridges in the geographic jurisdiction of the
29 Metropolitan Transportation Commission be funded at a lower
30 percentage than was established in accordance with procedures for
31 funding Category A maintenance of the toll bridges during the
32 1986–87 fiscal year.

33 SEC. 5. Section 188.10 of the Streets and Highways Code, as
34 amended by Chapter 596 of the Statutes of 1998, is amended and
35 renumbered to read:

36 188.11. (a) The commission, with assistance from the
37 department and regional agencies, shall maintain a long-term
38 balance of shares, shortfalls, and surpluses for regional
39 improvement programs.

40 (b) The balance shall include all of the following:



1 (1) Shares from the fund estimate for each state transportation
2 improvement program pursuant to Section 14525 of the
3 Government Code.

4 (2) Amounts programmed in each state transportation
5 improvement program pursuant to Section 14529 of the
6 Government Code.

7 (3) Surpluses or shortfalls due to reservations or advancements
8 pursuant to subdivision (j) of Section 188.8.

9 (4) Amounts deducted or added because of changes in project
10 development costs or a cost increase or savings in the final
11 engineering estimate or the final right-of-way certification
12 estimate at the time of allocation for construction, pursuant to
13 subdivisions (d) and (e) of Section 188.8.

14 (5) Any supplemental project allocations during or following
15 construction.

16 (6) Amounts deducted or added because of amendments to the
17 state transportation improvement program that add, delete, or
18 change the scope and cost of regional improvement projects,
19 pursuant to Section 14531 of the Government Code.

20 (c) The balance through the preceding fiscal year shall be made
21 available for review by all regional agencies at the time of each
22 fund estimate, and by not later than August 15 of each year.

23 (d) The commission, through the fund estimate, shall restore
24 for the next state transportation improvement program the
25 interregional improvement program level specified in subdivision
26 (a) of Section 164.

27 SEC. 6. Section 30101 of the Streets and Highways Code is
28 amended to read:

29 30101. Except as otherwise provided by statute for the
30 commission and the Bay Area Toll Authority, the commission
31 shall fix the rates of toll and other charges for all toll bridges, tubes,
32 or other toll highway crossings acquired or built pursuant to this
33 chapter.

34 SEC. 7. Section 30101.8 of the Streets and Highways Code is
35 amended to read:

36 30101.8. (a) The commission may grant toll-free and
37 reduced-rate passage on all toll bridges under its jurisdiction to
38 class I vehicles occupied by three or more persons, including the
39 driver, and to buses. For bridges within the area under the
40 jurisdiction of the Metropolitan Transportation Commission, the



1 Bay Area Toll Authority may grant toll-free and reduced-rate
2 passage.

3 (b) Notwithstanding subdivision (a), tolls on the bridges shall
4 be maintained at rates sufficient to meet any obligation to the
5 holders of bonds secured by a pledge of bridge toll revenues, as set
6 forth in any bond resolution, indenture, or covenants, and the
7 commission shall revise or eliminate any toll-free or reduced-rate
8 toll schedule adopted pursuant to subdivision (a) as necessary to
9 ensure compliance with those obligations.

10 (c) If the commission grants toll-free and reduced-rate passage
11 pursuant to subdivision (a), the commission shall also grant the
12 same toll-free and reduced-rate passage to class I vehicles
13 designed by the manufacturer to be occupied by no more than two
14 persons, including the driver, if these vehicles are occupied by two
15 persons, including the driver.

16 SEC. 8. Section 30102.5 of the Streets and Highways Code is
17 repealed.

18 SEC. 9. Section 30102.5 is added to the Streets and Highways
19 Code, to read:

20 30102.5. Consistent with Section 30918, the Bay Area Toll
21 Authority shall fix the rates of the toll charge, except as provided
22 in Section 30921, and may grant reduced-rate and toll-free passage
23 on the state-owned toll bridges within the jurisdiction of the
24 Metropolitan Transportation Commission.

25 SEC. 10. Section 30113 of the Streets and Highways Code is
26 amended to read:

27 30113. (a) The commission may utilize net revenues from
28 toll bridges in order to finance research on high technology motion
29 control devices to be used on the bridges.

30 (b) If the Metropolitan Transportation Commission allocates
31 toll bridge net revenues as defined in Section 30884, it may utilize
32 net revenues from the bridges under its jurisdiction to finance the
33 research referred to in subdivision (a).

34 SEC. 11. Article 5 (commencing with Section 30200) of
35 Chapter 1 of Division 17 of the Streets and Highways Code is
36 repealed.

37 SEC. 12. Article 7 (commencing with Section 30350) of
38 Chapter 1 of Division 17 of the Streets and Highways Code is
39 repealed.

1 SEC. 13. Section 30600 of the Streets and Highways Code is
2 amended to read:

3 30600. As used in this article, the following definitions apply:
4 (a) “Authority” means the Bay Area Toll Authority created
5 pursuant to Chapter 4.3 (commencing with Section 30950).

6 (b) “Toll bridge” means that certain bridge across San
7 Francisco Bay known as the San Francisco-Oakland Bay Bridge
8 and the approaches thereto.

9 SEC. 14. Section 30601 of the Streets and Highways Code is
10 amended to read:

11 30601. The toll bridge and the approaches to it are a primary
12 state highway. No law providing that state highways shall be free
13 highways affects the power or duty of the authority to fix the rates
14 of toll for the toll bridge or the power and duty of the department
15 to collect the tolls so fixed by the authority for the use of the toll
16 bridge.

17 SEC. 15. Section 30603 of the Streets and Highways Code is
18 repealed.

19 SEC. 16. Section 30604 of the Streets and Highways Code is
20 amended to read:

21 30604. The department shall at all times cause the toll bridge
22 to comply with all lawful orders of the United States Secretary of
23 Defense, the Chief of Engineers of the United States Army, and of
24 any other governmental agency or authority having jurisdiction
25 thereof.

26 SEC. 17. Section 30605 of the Streets and Highways Code is
27 repealed.

28 SEC. 18. Section 30606 of the Streets and Highways Code is
29 amended to read:

30 30606. The cost of operating and maintaining the
31 architectural lights on the toll bridge shall be paid by the
32 department from toll bridge revenue funds available for the
33 operation of the toll bridge.

34 SEC. 19. Section 30608.2 of the Streets and Highways Code
35 is repealed.

36 SEC. 20. Section 30750 of the Streets and Highways Code is
37 amended to read:

38 30750. As used in this article:

39 (a) “Carquinez Bridge” means those certain bridge spans on
40 Interstate Route 80 across the Carquinez Straits near Crockett,

1 together with any existing or new and additional approaches
2 thereto, necessary or desirable to connect with the present *spans*
3 *or any* additional spans and the toll collection facilities to serve
4 both the existing bridge span and any additional spans.

5 (b) “Benicia-Martinez Bridge” means the toll bridge across
6 the Carquinez Straits on Interstate Route 680 connecting the Cities
7 of Benicia and Martinez, together with any existing or new and
8 additional approaches thereto, necessary or desirable with respect
9 to the present span or any spans and toll collection facilities for the
10 bridge and any additional spans.

11 SEC. 21. Section 30751 of the Streets and Highways Code is
12 amended to read:

13 30751. The department is authorized to lay out, acquire, and
14 construct the Carquinez Bridge and the Benicia-Martinez Bridge
15 and to make any modification, improvement, and reconstruction
16 of the bridges as is necessary to adequately handle anticipated
17 traffic and permit the collection of tolls.

18 SEC. 22. Section 30752 of the Streets and Highways Code is
19 repealed.

20 SEC. 23. Section 30753 of the Streets and Highways Code is
21 repealed.

22 SEC. 24. Section 30754 of the Streets and Highways Code is
23 repealed.

24 SEC. 25. Section 30755 of the Streets and Highways Code is
25 repealed.

26 SEC. 26. Section 30756 of the Streets and Highways Code is
27 repealed.

28 SEC. 27. Section 30757 of the Streets and Highways Code is
29 repealed.

30 SEC. 28. Section 30760 of the Streets and Highways Code is
31 amended to read:

32 30760. As used in this article, “Antioch Bridge” means the
33 high-level fixed-span bridge across the San Joaquin River near
34 Antioch together with the approaches thereto and the toll
35 collection facilities for the bridge.

36 SEC. 29. Section 30761 of the Streets and Highways Code is
37 amended to read:

38 30761. The department is authorized to modify, improve,
39 reconstruct, and remodel the Antioch Bridge as is necessary to



1 adequately handle anticipated traffic and permit the collection of
2 tolls.

3 SEC. 30. Section 30762 of the Streets and Highways Code is
4 repealed.

5 SEC. 31. Section 30762.5 of the Streets and Highways Code
6 is repealed.

7 SEC. 32. Section 30763 of the Streets and Highways Code is
8 repealed.

9 SEC. 33. Section 30764 of the Streets and Highways Code is
10 repealed.

11 SEC. 34. Section 30764.5 of the Streets and Highways Code
12 is repealed.

13 SEC. 35. Section 30765 of the Streets and Highways Code is
14 repealed.

15 SEC. 36. Section 30766 of the Streets and Highways Code is
16 repealed.

17 SEC. 37. Section 30767 of the Streets and Highways Code is
18 repealed.

19 SEC. 38. Section 30791 of the Streets and Highways Code is
20 amended to read:

21 30791. The department is authorized to modify, improve,
22 reconstruct, and remodel the San Mateo-Hayward Bridge and the
23 Dumbarton Bridge as is necessary to adequately handle
24 anticipated traffic and permit the collection of tolls.

25 SEC. 39. Section 30791.7 of the Streets and Highways Code
26 is repealed.

27 SEC. 40. Section 30792 of the Streets and Highways Code is
28 repealed.

29 SEC. 41. Section 30792.2 of the Streets and Highways Code
30 is repealed.

31 SEC. 42. Section 30793 of the Streets and Highways Code is
32 repealed.

33 SEC. 43. Section 30794 of the Streets and Highways Code is
34 repealed.

35 SEC. 44. Section 30795 of the Streets and Highways Code is
36 repealed.

37 SEC. 45. Section 30881 is added to the Streets and Highways
38 Code, to read:

39 30881. “Authority” means the Bay Area Toll Authority.



1 SEC. 46. Section 30884 of the Streets and Highways Code is
2 amended to read:

3 30884. (a) “Net transit revenues” means those revenues of
4 the San Francisco-Oakland Bay Bridge, the San Mateo-Hayward
5 Bridge, and the Dumbarton Bridge determined by the authority as
6 derived from the toll increase instituted by the commission in
7 1977. The calculation of the amount of the net transit revenues is
8 ~~approximately~~ equal to 16 percent of the revenue generated each
9 year from the collection of the base toll at its level in existence for
10 the 2001–02 fiscal year on the San Francisco-Oakland Bay Bridge,
11 the San Mateo-Hayward Bridge, and the Dumbarton Bridge.

12 (b) The net transit revenues are subordinate to all of the
13 following:

14 (1) The obligation to pay necessary costs of toll collection
15 operation.

16 (2) The obligations of the authority under any bond resolution
17 or indenture applicable to the toll bridges *issued by the authority*.

18 (3) The obligation to repay any advances made to the
19 department from any other source for studies and work
20 preliminary to the financing of any toll bridge project.

21 SEC. 47. Section 30885 of the Streets and Highways Code is
22 amended to read:

23 30885. “Toll bridge” means any state-owned bridge,
24 including the approaches to the toll bridge from the nearest
25 highway that is not for the exclusive use of toll bridge traffic,
26 located within the region under the jurisdiction of the commission.

27 SEC. 48. Section 30886 of the Streets and Highways Code is
28 repealed.

29 SEC. 49. Section 30887 of the Streets and Highways Code is
30 amended to read:

31 30887. The authority may increase the toll rates specified in
32 the adopted toll schedule only if this is necessary in order to enable
33 the authority to meet its obligations under any bond resolution or
34 indenture.

35 SEC. 50. Section 30888 of the Streets and Highways Code is
36 repealed.

37 SEC. 51. Section 30889 of the Streets and Highways Code is
38 repealed.

39 SEC. 52. Section 30889.3 of the Streets and Highways Code
40 is amended to read:

1 30889.3. (a) The authority may grant toll-free passage or
2 may adopt a reduced-rate schedule of tolls for vehicles occupied
3 by three or more persons, including the driver, and for buses
4 crossing the bridges. The reduced-rate toll for those vehicles shall
5 be determined by the authority in consultation with the
6 department, and may consist of reduced daily tolls or payment in
7 lieu of daily tolls. If the authority grants toll-free passage or adopts
8 a reduced-rate toll schedule under this subdivision, it shall grant
9 toll-free passage or adopt the same schedule for class I vehicles
10 designed by the manufacturer to be occupied by not more than two
11 persons, including the driver, if these vehicles are occupied by two
12 persons, including the driver.

13 (b) Tolls on the bridges shall be maintained at rates sufficient
14 to meet any covenants or obligations to the holders of bonds
15 secured by the bridge toll revenues, as set forth in any bond
16 resolution or indenture or obligation contained in bonds issued
17 pursuant to the bond resolution or indenture, and the authority
18 shall revise or eliminate the reduced-rate toll schedule adopted
19 pursuant to subdivision (a) as necessary to ensure compliance with
20 those covenants and obligations.

21 (c) The authority may also vary, as it deems advisable, the toll
22 rates applicable to a vehicle operated on the bridges for the
23 carriage of passengers by any municipal or public corporation,
24 transit district, public utility district, political subdivision, or by a
25 transportation company operating under a certificate of public
26 convenience and necessity. *The authority shall consult with the*
27 *affected operators prior to adopting any toll rate pursuant to this*
28 *subdivision.*

29 SEC. 53. Section 30890 of the Streets and Highways Code is
30 repealed.

31 SEC. 54. Section 30890 is added to the Streets and Highways
32 Code, to read:

33 30890. The authority shall transfer the net transit revenues, as
34 defined in Section 30884, to the commission on a regularly
35 scheduled basis as set forth in the authority's annual budget
36 resolution.

37 SEC. 55. Section 30891 of the Streets and Highways Code is
38 amended to read:

39 30891. The commission may retain, for its cost in
40 administering this article, an amount not to exceed one-quarter of

1 1 percent of the revenues allocated by it pursuant to Section 30892
2 and of the revenues allocated by it pursuant to Sections 30913 and
3 30914.

4 SEC. 56. Section 30894 of the Streets and Highways Code is
5 amended to read:

6 30894. The commission shall adopt and distribute procedures
7 for the submission of applications for funding and allocation of
8 funds. Only those applications for projects that will implement the
9 commission's transit planning objectives in the vicinity of toll
10 bridges as set forth in its adopted regional transportation plan or
11 the commission's objectives with respect to ferry systems shall be
12 approved.

13 SEC. 57. Section 30896 of the Streets and Highways Code is
14 repealed.

15 SEC. 58. Section 30910 of the Streets and Highways Code is
16 amended to read:

17 30910. (a) The state-owned toll bridges within the
18 geographic jurisdiction of the Metropolitan Transportation
19 Commission are the following bridges:

- 20 (1) Antioch Bridge.
- 21 (2) Benicia-Martinez Bridge.
- 22 (3) Carquinez Bridges.
- 23 (4) Dumbarton Bridge.
- 24 (5) Richmond-San Rafael Bridge.
- 25 (6) San Mateo-Hayward Bridge.
- 26 (7) San Francisco-Oakland Bay Bridge.

27 (b) The Antioch Bridge, the Benicia-Martinez Bridge, the
28 Carquinez Bridges, and the Richmond-San Rafael Bridge are at
29 times classified as the northern bridge unit, and the Dumbarton
30 Bridge, the San Mateo-Hayward Bridge, and the San
31 Francisco-Oakland Bay Bridge are at times classified as the
32 southern bridge unit. For purposes of operation, rehabilitation,
33 maintenance, and financing, all of the bridges are classified as a
34 single enterprise.

35 SEC. 58.5. Section 30910.5 is added to the Streets and
36 Highways Code, to read:

37 30910.5. "Authority" means the Bay Area Toll Authority.

38 SEC. 59. Section 30911 of the Streets and Highways Code is
39 repealed.

1 SEC. 60. Section 30911 is added to the Streets and Highways
2 Code, to read:

3 30911. (a) The authority shall maintain the Bay Area Toll
4 Account and other subaccounts it deems necessary and appropriate
5 to document toll revenue and operating expenditures in
6 accordance with generally accepted accounting principles.

7 (b) (1) After the requirements of any bond resolution or
8 indenture of the authority for any outstanding revenue bonds have
9 been met, the authority shall transfer on a regularly scheduled basis
10 as set forth in the authority's annual budget resolution, the
11 revenues defined in subdivision (b) of Section 30913 and Section
12 30914 to the commission. The funds transferred are continuously
13 appropriated to the commission to expend for the purposes
14 specified in subdivision (b) of Section 30913 and Section 30914.

15 (2) For the purposes of paragraph (1), the revenues defined in
16 subdivision (b) of Section 30913 and subdivision ~~(e)~~ (a) of Section
17 30914 include all revenues accruing since January 1, 1989.

18 SEC. 61. Section 30912 of the Streets and Highways Code is
19 amended to read:

20 30912. (a) Revenue derived from tolls on all bridges may be
21 expended, subject to the adopted annual budget of the authority,
22 for any of the following purposes:

23 (1) Safety and operational costs, including toll collection.

24 (2) Costs of bridge construction and improvement projects,
25 including debt service and sinking fund payments on bonds issued
26 by the authority for those projects. The repayment of any advances
27 from other state funds may be made from the toll revenue or bond
28 proceeds.

29 (b) The revenue determined by the authority as derived from
30 the toll increase approved in 1988, and authorized by Section
31 30917 for class I vehicles on the San Francisco-Oakland Bay
32 Bridge shall be used, to the extent specified in paragraph (4) of
33 subdivision (a) of Section 30914, for the construction of rail
34 extensions specified in Section 30914 or for payment of the
35 principal of, and interest on, bonds issued for those projects,
36 including payments into a sinking fund maintained for that
37 purpose.

38 (c) Maintenance of the bridges specified in Section 30910 shall
39 be funded in accordance with procedures for funding maintenance
40 of the southern bridge unit during the 1986–87 fiscal year.

SEC. 62. Section 30913 of the Streets and Highways Code is amended to read:

30913. (a) In addition to any other authorized expenditure of toll bridge revenues, the following major projects may be funded from toll revenues:

(1) Benicia-Martinez Bridge: Widening of the existing bridge.

(2) Benicia-Martinez Bridge: Construction of an additional span parallel to the existing bridge.

(3) Carquinez Bridge: Replacement of the existing western span.

(4) Richmond-San Rafael Bridge: Major rehabilitation of the bridge, and development of a new easterly approach between the toll plaza and Route 80, near Pinole, known as the Richmond Parkway.

(b) The toll increase approved in 1988, which authorized a uniform toll of one dollar (\$1) for two-axle vehicles on the bridges and corresponding increases for multi-axle vehicles, resulted in the following toll increases for two-axle vehicles on the bridges:

Bridge	1988 Increase (Two-axle vehicles)
Antioch Bridge	\$0.50
Benicia-Martinez Bridge	.60
Carquinez Bridge	.60
Dumbarton Bridge	.25
Richmond-San Rafael Bridge	.00
San Francisco-Oakland Bay Bridge	.25
San Mateo-Hayward Bridge	.25

Portions of the 1988 toll increase were dedicated to transit purposes, and these amounts shall be calculated as up to 2 percent of the revenue generated each year by the collection on all bridges of the base toll at the level established by the 1988 toll increase. The ~~commission~~ *Metropolitan Transportation Commission* shall allocate two-thirds of these amounts for transportation projects, other than those specified in Sections 30912, ~~30913, and~~ *and 30913 and in subdivision (a) of Section 30914*, which are designed to reduce vehicular traffic congestion and improve bridge operations on any bridge, including, but not limited to, bicycle facilities and for the planning, construction, operation, and

1 acquisition of rapid water transit systems. The commission shall
2 allocate the remaining one-third solely for the planning,
3 construction, operation, and acquisition of rapid water transit
4 systems. The plans for the projects may also be funded by these
5 moneys.

6 (c) The department shall not include, in the plans for the new
7 Benicia-Martinez Bridge, toll plazas, highways, or other facilities
8 leading to or from the Benicia-Martinez Bridge, any construction
9 that would result in the net loss of any wetland acreage.

10 (d) With respect to the Benicia-Martinez and Carquinez
11 Bridges, the department shall consider the potential for rail transit
12 as part of the plans for the new structures specified in paragraphs
13 (2) and (3) of subdivision (a).

14 (e) At the time the first of the new bridges specified in
15 paragraphs (2) and (3) of subdivision (a) is opened to the public,
16 there shall be a lane for the exclusive use of pedestrians and
17 bicycles available on at least, but not limited to, the original span
18 at Benicia or Carquinez, or the additional or replacement spans
19 planned for those bridges. The design of these bridges shall not
20 preclude the subsequent addition of a lane for the exclusive use of
21 pedestrians and bicycles.

22 SEC. 63. Section 30914 of the Streets and Highways Code is
23 repealed.

24 SEC. 64. Section 30914 is added to the Streets and Highways
25 Code, to read:

26 30914. (a) In addition to any other authorized expenditures
27 of toll bridge revenues, the following major projects may be
28 funded from toll revenues of all bridges:

29 (1) Dumbarton Bridge: Improvement of the western
30 approaches from Route 101 if affected local governments are
31 involved in the planning.

32 (2) San Mateo-Hayward Bridge and approaches: Widening of
33 the bridge to six lanes, construction of rail transit capital
34 improvements on the bridge structure, and improvements to the
35 Route 92/Route 880 interchange.

36 (3) Construction of West Grand connector or an alternate
37 project designed to provide comparable benefit by reducing
38 vehicular traffic congestion on the eastern approaches to the San
39 Francisco-Oakland Bay Bridge. Affected local governments shall
40 be involved in the planning.



(4) Not less than 90 percent of the revenues determined by the authority as derived from the toll increase approved in 1988 for class I vehicles on the San Francisco-Oakland Bay Bridge authorized by Section 30917 shall be used exclusively for rail transit capital improvements designed to reduce vehicular traffic congestion on that bridge. This amount shall be calculated as 21 percent of the revenue generated each year by the collection of the base toll at the level established by the 1988 increase on the San Francisco-Oakland Bay Bridge.

(b) Notwithstanding any funding request for the transbay bus terminal pursuant to Section 31015, the ~~Bay Area Toll Authority~~ *Metropolitan Transportation Commission* shall allocate toll bridge revenues in an annual amount not to exceed three million dollars (\$3,000,000), plus a 3.5-percent annual increase, to the department or to the Transbay Joint Powers Authority after the department transfers the title of the Transbay Terminal Building to that entity, for operation and maintenance expenditures. This allocation shall be *payable from funds transferred by the Bay Area Toll Authority. This transfer of funds is* subordinate to any obligations of the authority, now or hereafter existing, having a statutory or first priority lien against the toll bridge revenues. *The first annual 3.5 percent increase shall be made on July 1, 2004.* The ~~allocation~~ *transfer* is further subject to annual certification by the department or the Transbay Joint Powers Authority that the total Transbay Terminal Building operating revenue is insufficient to pay the cost of operation and maintenance without the requested funding.

(c) If the voters approve a toll increase in 2004 pursuant to Section 30921, the ~~authority~~ *Metropolitan Transportation Commission* shall, consistent with the provisions of ~~subdivision~~ *subdivisions (d) and (f)*, fund the ~~following major projects that projects described in this subdivision and in subdivision (d) that shall collectively be known as the Regional Traffic Relief Plan.~~ *These projects* have been determined to reduce congestion or to make improvements to travel in the toll bridge corridors, from toll revenues of all bridges:

(1) BART/MUNI Connection at Embarcadero and Civic Center Stations. Provide direct access from the BART platform to the MUNI platform at the above stations and equip new fare gates

1 that are TransLink ready. Three million dollars (\$3,000,000). The
2 project sponsor is BART.

3 (2) MUNI Metro Third Street Light Rail Line. Provide funding
4 for the surface and light rail transit and maintenance facility to
5 support MUNI *Metro* Third Street Light Rail service connecting
6 to Caltrain stations and the E-Line waterfront line. Thirty million
7 dollars (\$30,000,000). The project sponsor is MUNI.

8 (3) MUNI Waterfront Historic Streetcar Expansion. Provide
9 funding to rehabilitate historic street cars and construct trackage
10 and terminal facilities to support service from the Caltrain
11 Terminal, the Transbay Terminal, and the Ferry Building, and
12 connecting the Fisherman's Wharf and northern waterfront. Ten
13 million dollars (\$10,000,000). The project sponsor is MUNI.

14 (4) East to West Bay Commuter Rail Service over the
15 Dumbarton Rail Bridge. Provide funding for the necessary track
16 and station improvements and rolling stock to interconnect the
17 BART and Capitol Corridor at Union City with Caltrain service
18 over the Dumbarton Rail Bridge, and interconnect and provide
19 track improvements for the ACE line with the same Caltrain
20 service at Centerville. Provide a new station at Sun Microsystems
21 in Menlo Park. One hundred thirty-five million dollars
22 (\$135,000,000). The project is jointly sponsored by the San Mateo
23 County Transportation Authority, Capitol Corridor, the Alameda
24 County Congestion Management Agency, and the Alameda
25 County Transportation Improvement Authority.

26 (5) Vallejo Station. Construct intermodal transportation hub
27 for bus and ferry service, including parking structure, at site of
28 Vallejo's current ferry terminal. Twenty-eight million dollars
29 (\$28,000,000). The project sponsor is the City of Vallejo.

30 (6) Solano County Express Bus Intermodal Facilities. Provide
31 competitive grant fund source, to be administered by BATA.
32 Eligible projects are Curtola Park and Ride, Benicia Intermodal
33 Facility, Fairfield Transportation Center and Vacaville Intermodal
34 Station. Priority to be given to projects that are fully funded, ready
35 for construction, and serving transit service that operates primarily
36 on existing or fully funded high-occupancy vehicle lanes. Twenty
37 million dollars (\$20,000,000). The project sponsor is Solano
38 Transportation Authority.

39 (7) Solano County Corridor Improvements near
40 Interstate-80/Interstate-680 Interchange. Provide funding for

improved mobility in corridor based on recommendations of joint study conducted by the Department of Transportation and the Solano Transportation Authority. Cost-effective transit infrastructure investment or service identified in the study shall be considered a high priority. One hundred million dollars (\$100,000,000). The project sponsor is Solano Transportation Authority.

(8) Interstate-80: Eastbound High-Occupancy Vehicle (HOV) Lane Extension from Route 4 to Carquinez Bridge. Construct HOV-lane extension. Fifty million dollars (\$50,000,000). The project sponsor is the Department of Transportation.

(9) Richmond Parkway Transit Center. Construct parking structure and associated improvements to expand bus capacity. Sixteen million dollars (\$16,000,000). The project sponsor is Alameda-Contra Costa Transit District, in coordination with West Contra Costa Transportation Advisory Committee, Western Contra Costa Transit Authority, City of Richmond, and the Department of Transportation.

(10) Sonoma-Marin Area Rail Transit District (SMART) Extension to Larkspur or San Quentin. Extend rail line from San Rafael to a ferry terminal at Larkspur or San Quentin. Thirty-five million dollars (\$35,000,000). The project sponsor is SMART.

(11) Greenbrae Interchange/Larkspur Ferry Access Improvements. Provide enhanced regional and local access around the Greenbrae Interchange to reduce traffic congestion and provide multimodal access to the Richmond-San Rafael Bridge and Larkspur Ferry Terminal by constructing a new full service diamond interchange at Wornum Drive *south of the Greenbrae Interchange, extending a multi-use pathway from the new interchange at Wornum Drive to East Sir Francis Drake Boulevard and the Cal Park Hill rail right-of-way, adding a new lane to East Sir Francis Drake Boulevard and rehabilitating the Cal Park Hill Rail Tunnel and right-of-way approaches for bicycle and pedestrian access to connect the San Rafael Transit Center with the Larkspur Ferry Terminal.* Thirty-five million dollars (\$35,000,000). The project sponsor is Marin County Congestion Management Agency.

(12) Direct High-Occupancy Vehicle (HOV) lane connector from Interstate-680 to *the Pleasant Hill BART or in close proximity or Walnut Creek BART stations or in close proximity to*

1 *either station or as an extension of the southbound Interstate-680*
2 *High Occupancy Vehicle Lane through the Interstate-680/State*
3 *Highway Route 4 interchange from North Main in Walnut Creek*
4 *to Livorna Road. The County Connection shall utilize up to one*
5 *million dollars (\$1,000,000) of the funds described in this*
6 *paragraph to develop options and recommendations for providing*
7 *express bus service on the Interstate 680 High Occupancy Vehicle*
8 *Lane south of the Benicia Bridge in order to connect to BART.*
9 *Upon completion of the plan, the Contra Costa Transportation*
10 *Authority shall adopt a preferred alternative provided by the*
11 *County Connection plan for future funding. Following adoption of*
12 *the preferred alternative, the remaining funds may be expended*
13 *either to fund the preferred alternative or to extend the High*
14 *Occupancy Vehicle Lane as described in this paragraph.. Fifteen*
15 *million dollars (\$15,000,000). The project is sponsored by the*
16 *Contra Costa Transportation Authority.*

17 (13) Rail Extension to East Contra Costa/E-BART. Extend
18 BART from Pittsburg/Bay Point Station to Byron in East Contra
19 Costa County. Ninety-six million dollars (\$96,000,000). Project
20 funds may only be used if the project is in compliance with adopted
21 BART policies with respect to appropriate land use zoning in
22 vicinity of proposed stations. The project is jointly sponsored by
23 BART and Contra Costa Transportation Authority.

24 (14) Capital Corridor Improvements in
25 Interstate-80/Interstate-680 Corridor. Fund track and station
26 improvements, including the Suisun Third Main Track and new
27 Fairfield Station. Twenty-five million dollars (\$25,000,000). The
28 project sponsor is Capital Corridor Joint Powers Authority and the
29 Solano Transportation Authority.

30 (15) Central Contra Costa Bay Area Rapid Transit (BART)
31 Crossover. Add new track before Pleasant Hill BART Station to
32 permit BART trains to cross to return track towards San Francisco.
33 Twenty-five million dollars (\$25,000,000). The project sponsor is
34 BART.

35 (16) Benicia-Martinez Bridge: New Span. Provide partial
36 funding for completion of new five-lane span between Benicia and
37 Martinez to significantly increase capacity in the I-680 corridor.
38 Fifty million dollars (\$50,000,000). The project sponsor is the Bay
39 Area Toll Authority.



(17) Regional Express Bus North. Competitive grant program for bus service in Richmond-San Rafael Bridge, Carquinez, Benicia-Martinez and Antioch Bridge corridors. Provide funding for park and ride lots, infrastructure improvements, and rolling stock. Eligible recipients include Golden Gate Bridge Highway and Transportation District, Vallejo Transit, Napa VINE, Fairfield-Suisun Transit, Western Contra Costa Transit Authority, Eastern Contra Costa Transit Authority, and Central Contra Costa Transit Authority. The Golden Gate Bridge Highway and Transportation District shall receive a minimum of one million six hundred thousand dollars (\$1,600,000). Napa VINE shall receive a minimum of two million four hundred thousand dollars (\$2,400,000). Twenty million dollars (\$20,000,000). The project sponsor is the Metropolitan Transportation Commission.

(18) TransLink. Integrate the bay area's regional smart card technology, TransLink, with operator fare collection equipment and expand system to new transit services. Twenty-two million dollars (\$22,000,000). The project sponsor is *the* Metropolitan Transportation Commission.

(19) Real-Time Transit Information. Provide a competitive grant program for transit operators for assistance with implementation of high-technology systems to provide real-time transit information to riders at transit stops or via telephone, wireless, or Internet communication. Priority shall be given to projects identified in the commission's connectivity plan adopted pursuant to subdivision (d) of Section 30914.5. Twenty million dollars (\$20,000,000). The funds shall be administered by the Metropolitan Transportation Commission.

(20) Safe Routes to Transit: Plan and construct bicycle and pedestrian access improvements in close proximity to transit facilities. Priority shall be given to those projects that best provide access to regional transit services. Twenty million dollars (\$20,000,000). The project is jointly sponsored by the East Bay Bicycle Coalition and the Transportation and Land Use Coalition. These sponsors must identify a public agency cosponsor for purposes of specific project fund allocations.

(21) BART Tube Seismic Strengthening. Add seismic capacity to existing BART tube connecting the east bay with San Francisco. One hundred forty-three million dollars (\$143,000,000). The project sponsor is BART.

1 (22) Transbay Terminal/Downtown Caltrain Extension.
2 Construction of a new Transbay Terminal at First and Mission
3 Streets in San Francisco providing added capacity for transbay,
4 regional, local, and intercity bus services, the extension of Caltrain
5 rail services into the terminal, and accommodation of a future high
6 speed passenger rail line to the terminal and eventual rail
7 connection to the east bay. Construction of a bus and train-ready
8 terminal facility is the first priority for toll funds for the Transbay
9 Terminal/Downtown Caltrain Extension Project. The temporary
10 terminal operation shall not exceed five years. One hundred fifty
11 million dollars (\$150,000,000). The project sponsor is the
12 Transbay Joint Powers Authority.

13 (23) Oakland Airport Connector. New transit connection to
14 link BART, Capitol Corridor and AC Transit with Oakland
15 Airport. The Port of Oakland shall provide a full funding plan for
16 the connector. Thirty million dollars (\$30,000,000). The project
17 sponsors are the Port of Oakland and BART.

18 (24) AC Transit Enhanced Bus-Phase 1 (~~International~~
19 ~~Bldg./Telegraph Corridors~~) *on Telegraph Avenue, International*
20 *Boulevard, and East 14th Street (Berkeley-Oakland-San*
21 *Leandro)*. Develop enhanced bus service on these corridors,
22 including bus bulbs, signal prioritization, new buses, and other
23 improvements. Priority of investment shall improve the AC
24 connection to BART on these corridors. Sixty-five million dollars
25 (\$65,000,000). ~~Project~~ *The project* sponsor is AC Transit.

26 (25) Commute Ferry Service for Alameda/Oakland/Harbor
27 Bay. Purchase two vessels for ferry services between Alameda and
28 Oakland areas and San Francisco. Second vessel funds to be
29 released upon demonstration of appropriate terminal locations,
30 new transit oriented development, adequate parking, and
31 sufficient landside feeder connections to support ridership
32 projections. Twelve million dollars (\$12,000,000). ~~Project~~ *The*
33 *project* sponsor is Water Transit Authority. *If the Water Transit*
34 *Authority demonstrates to the Metropolitan Transportation*
35 *Commission that it has secured alternative funding for the two*
36 *vessel purchases described in this paragraph, the funds may used*
37 *for terminal improvements.*

38 (26) Commute Ferry Service for Berkeley/Albany. Purchase
39 two vessels for ferry services between *the* Berkeley/Albany
40 Terminal and San Francisco. Parking access and landside feeder

connections must be sufficient to support ridership projections. Twelve million dollars (\$12,000,000). ~~Project~~ *The project sponsor is Water Transit Authority. If the Water Transit Authority demonstrates to the Metropolitan Transportation Commission that it has secured alternative funding for the two vessel purchases described in this paragraph, the funds may be used for terminal improvements. If the Water Transit Authority does not have an entitled terminal site within the Berkeley/Albany catchment area by 2010, that meets its requirements, the funds described in this paragraph and the operating funds described in paragraph (7) of subdivision (d) shall be transferred to another site in the East Bay. The City of Richmond shall be given first priority to receive this transfer of funds if it has met the planning milestones identified in its special study developed pursuant to paragraph (28).*

(27) Commute Ferry Service for South San Francisco. Purchase two vessels for ferry services to the peninsula. Parking access and landside feeder connections must be sufficient to support ridership projections. Twelve million dollars (\$12,000,000). ~~Project~~ *The project sponsor is Water Transit Authority. If the Water Transit Authority demonstrates to the Metropolitan Transportation Commission that it has secured alternative funding for the two vessel purchases described in this paragraph, the funds may be used for terminal improvements.*

(28) Water Transit Facility Improvements, Spare Vessels, and Environmental Review Costs. Provide two backup vessels for ~~WTA~~ *Water Transit Authority* services, expand berthing capacity at the Port of San Francisco, and expand environmental studies and design for eligible locations. ~~Forty-three~~ *Forty-four* million dollars ~~(\$43,000,000)~~ *(\$44,000,000)*. ~~Project~~ *The project sponsor is Water Transit Authority. Up to one million dollars (\$1,000,000) of the funds described in this paragraph shall be made available for the Water Transit Authority to study accelerating development and other milestones that would potentially increase ridership at the City of Richmond ferry terminal.*

(29) Regional Express Bus Service for San Mateo, Dumbarton, and Bay Bridge Corridors. Expand park and ride lots, improve HOV access, construct ramp improvements, and purchase rolling stock. Twenty-two million dollars (\$22,000,000). ~~Project sponsor~~ *The project sponsors are AC Transit and Alameda County Congestion Management Agency.*

(30) I-880 North Safety Improvements. Reconfigure various ramps on I-880 and provide appropriate mitigations between 29th Avenue and 16th Avenue. Ten million dollars (\$10,000,000). ~~Project~~ *The project* sponsors are Alameda County Congestion Management Agency, City of Oakland, and Department of Transportation.

(31) BART Warm Springs Extension *as the first phase of the extension of BART to the Silicon Valley*. Extension of the existing BART system from Fremont to Warm Springs in southern Alameda County. Forty-five million dollars (\$45,000,000). ~~Project~~ *The project* sponsor is BART.

(32) I-580 (Tri Valley) Rapid Transit Corridor Improvements. Provide rail or High Occupancy Vehicle lane direct connector to Dublin BART and other improvements on I-580 in Alameda County for use by express buses. Sixty-five million dollars (\$65,000,000). ~~Project~~ *The project* sponsor is Alameda County Congestion Management Agency.

(33) Regional Rail Master Plan. Provide planning funds for integrated regional rail study pursuant to subdivision (f) of Section 30914.5. Three million dollars ~~(\$3,000,000)~~. ~~Project~~ *five hundred thousand dollars (\$3,500,000)*. *The project* sponsors are Caltrain and BART.

(34) Integrated Fare Structure Program. Provide planning funds for the development of zonal monthly transit passes pursuant to subdivision (e) of Section 30914.5. One million five hundred thousand dollars (\$1,500,000). ~~Project~~ *The project* sponsor is the Translink Consortium.

(35) High Speed Rail Planning. Provide funds or reimburse funds expended to ~~study~~ *incorporate the Altamont High Speed Rail Altamont Pass alternative and a new rail bridge parallel to the Dumbarton Rail Bridge in an environmental review document.* ~~Two million dollars~~ *Alternative, generally as defined and evaluated in the Intercity High Speed Rail Commission Report published in December 1996, together with a new high-speed rail bridge parallel to the Dumbarton Rail Bridge, fully into the California High Speed Rail System Environmental Impact Report (EIR) program so that the Altamont Alternative, including the new rail bridge, is treated equivalently with other alternatives being considered in the EIR. Two million dollars (\$2,000,000).* ~~Project~~ *The project* sponsor is the California High Speed Rail Authority.

(36) Transit Commuter Benefits Promotion. Marketing program to promote tax-saving opportunities for employers and employees as specified in Section 132(f)(3) of the Internal Revenue Code. Goal is to increase the participation rate of employers offering employees a tax-free benefit to commute to work by transit. The project sponsor is the Metropolitan Transportation Commission. Five million dollars (\$5,000,000).

(d) Not more than 38 percent of the revenues generated from the 2004 toll increase shall be made available annually for the purpose of providing operating assistance for transit services as set forth in the authority's annual budget resolution. The funds shall be made available to the provider of the transit services subject to the performance measures described in Section 30914.5. If the funds cannot be obligated for operating assistance consistent with the performance measures, these funds may be obligated for other purposes consistent with this chapter.

Except for operating programs that do not have planned funding increases and subject to the 38-percent limit on total operating cost funding in any single year, following the first year of scheduled operations, an escalation factor, not to exceed 1.5 percent per year, shall be added to the operating cost funding through fiscal year 2015–16, to partially offset increased operating costs. The escalation factors shall be contained in the operating agreements described in Section 30914.5. Subject to the limitations of this paragraph, the ~~authority~~ *Metropolitan Transportation Commission* may annually fund the following operating programs *as another component of the Regional Traffic Relief Plan*:

(1) Golden Gate Express Bus Service over the Richmond Bridge (Route 40). Two million one hundred thousand dollars (\$2,100,000).

(2) Napa Vine Service terminating at the Vallejo Intermodal Terminal. Three hundred ninety thousand dollars (\$390,000).

(3) Regional Express Bus North Pool serving the Carquinez and Benicia Bridge Corridors. Three million four hundred thousand dollars (\$3,400,000).

(4) Regional Express Bus South Pool serving the Bay Bridge, San Mateo Bridge, and Dumbarton Bridge Corridors. Six million five hundred thousand dollars (\$6,500,000).

(5) Dumbarton Rail. Five million five hundred thousand (\$5,500,000).

(6) Water Transit Authority, Alameda/Oakland/Harbor Bay. A portion of the operating funds may be dedicated to landside transit operations. Six million four hundred thousand dollars (\$6,400,000).

(7) Water Transit Authority, Berkeley/Albany. A portion of the operating funds may be dedicated to landside transit operations. Three million two hundred thousand dollars (\$3,200,000).

(8) Water Transit Authority, South San Francisco. A portion of the operating funds may be dedicated to landside operations. Three million dollars (\$3,000,000).

(9) Vallejo Ferry. Two million seven hundred thousand dollars (\$2,700,000).

(10) Owl Bus Service on BART Corridor. One million eight hundred thousand dollars (\$1,800,000).

(11) MUNI Metro Third Street Light Rail Line. Two million five hundred thousand dollars (\$2,500,000) without escalation.

(12) AC Transit Enhanced Bus Service, ~~International Boulevard and Telegraph Avenue in Oakland/Berkeley. Three on Telegraph Avenue, International Boulevard, and East 14th Street in Berkeley-Oakland-San Leandro.~~ Three million dollars (\$3,000,000) without escalation.

(13) TransLink, three-year operating program. Twenty million dollars (\$20,000,000) without escalation.

(14) Water Transit Authority, regional planning and operations. Three million dollars (\$3,000,000) without escalation.

(e) For all projects authorized under subdivision (c), the project sponsor shall submit an initial project report to the ~~authority~~ *Metropolitan Transportation Commission* before July 1, 2004. This report shall include all information required to describe the project in detail, including the status of any environmental documents relevant to the project, additional funds required to fully fund the project, the amount, if any, of funds expended to date, and a summary of any impediments to the completion of the project. This report, or an updated report, shall include a detailed financial plan and shall notify the ~~authority~~ *commission* if the project sponsor will request toll revenue within the subsequent 12 months. The project sponsor shall update this report as needed or requested by the ~~authority or the~~ *commission*. No funds shall be allocated by the ~~authority or the~~ *commission* for any project authorized by subdivision (c) until the project sponsor submits the

1 initial project report, and the report is reviewed and approved by
2 the commission.

3 If multiple project sponsors are listed for projects listed in
4 subdivision (c), the ~~authority~~ *commission* shall identify a lead
5 sponsor in ~~cooperation~~ *coordination* with all identified sponsors,
6 for purposes of allocating funds. For any projects authorized under
7 subdivision (c), the ~~authority~~ *commission* shall have the option of
8 requiring a memorandum of understanding between ~~the authority~~
9 *itself* and the project sponsor or sponsors that shall include any
10 specific requirements that must be met prior to the allocation of
11 funds provided under subdivision (c).

12 (f) The ~~commission~~ *Metropolitan Transportation Commission*
13 shall annually assess the status of programs and projects *and shall*
14 *allocate a portion of funding made available under Section 30921*
15 *or 30958 for public information and advertising to support the*
16 *services and projects identified in subdivisions (c) and (d).* If an
17 operating program or project cannot achieve its performance
18 objectives described in subdivision (a) *of Section 30914.5* or if a
19 program or project cannot be completed or cannot continue due to
20 delivery or financing obstacles making the completion or
21 continuation of the program or project unrealistic, the commission
22 shall consult with the program or the project sponsor. After
23 consulting with the sponsor, the commission shall hold a public
24 hearing concerning the project. After the hearing, the ~~program or~~
25 commission may vote to modify the program or the project's
26 scope, decrease its level of funding, or to reassign all of the funds
27 to another program or project within the same corridor. If a
28 program or project does not meet the required performance
29 measures, the commission shall give the sponsor a time certain to
30 achieve the performance measures or have its funding reassigned.

31 (g) If the voters approve a toll increase ~~in 2004~~ pursuant to
32 Section 30921, the ~~authority~~ *Metropolitan Transportation*
33 *Commission* shall within 24 months of the election date, include
34 the projects in ~~its~~ *a* long-range plan that are consistent with the
35 commission's findings required by this section and Section
36 30914.5. The ~~authority~~ *commission* shall update its long-range
37 plan as required to maintain its viability as a strategic plan for
38 funding projects authorized by this section. The ~~authority~~
39 *commission* shall by January 1, 2007, submit its updated

1 long-range plan to the transportation policy committee of each
2 house of the Legislature for review.

3 (h) If the voters approve a toll increase ~~in 2004~~ pursuant to
4 Section 30921, and if additional funds *from this toll increase* are
5 available following the funding obligations of subdivisions (c) and
6 (d), the authority may set aside a reserve to fund future rolling
7 stock replacement to enhance the sustainability of the services
8 enumerated in subdivision (d). The authority shall, by January 1,
9 2020, submit a 20-year toll bridge expenditure plan to the
10 Legislature for adoption. This expenditure plan shall have, as its
11 highest priority, replacement of transit vehicles purchased
12 pursuant to subdivision (c).

13 SEC. 65. Section 30914.5 is added to the Streets and
14 Highways Code, to read:

15 30914.5. (a) Prior to the allocation of revenue for transit
16 operating assistance under subdivision (d) of Section 30914, the
17 ~~commission~~ *Metropolitan Transportation Commission* shall
18 adopt performance measures related to fare-box recovery,
19 ridership, and other performance measures as needed. *The*
20 *performance measures shall be developed in consultation with the*
21 *affected transit operators.*

22 (b) The ~~commission~~ *Metropolitan Transportation Commission*
23 shall execute an operating agreement with the sponsors of the
24 projects described in subdivision (d) of Section 30914. This
25 agreement shall include, at a minimum, a fully funded operating
26 plan that conforms to and is consistent with the adopted
27 performance measures. The agreement shall also include a
28 schedule of projected fare revenues or other operating revenues to
29 indicate that the service is viable in the near-term and is expected
30 to meet the adopted performance measures in future years. For any
31 individual project sponsor, this operating agreement may include
32 additional requirements, as determined by the ~~authority~~
33 *commission*, to be met prior to the allocation of transit assistance
34 under subdivision (d) of Section 30914.

35 (c) Prior to the annual allocation of transit operating assistance
36 funds by the ~~commission~~ *Metropolitan Transportation*
37 *Commission* pursuant to subdivision (d) of Section 30914, project
38 sponsors shall present an audited annual report to the commission
39 that contains audited financial information, including an opinion

1 of the independent auditors on the status and cost of the project and
2 its compliance with the approved performance measures.

3 (d) ~~The commission~~ *Metropolitan Transportation Commission*
4 shall adopt a regional transit connectivity plan by December 1,
5 2005. The connectivity plan shall be incorporated into the
6 commission's Transit Coordination Implementation Plan pursuant
7 to Section ~~66516~~ 66516.5 of the Government Code. The
8 connectivity plan shall require operators to comply with the plan
9 utilizing commission authority pursuant to Section ~~66516~~
10 66516.5 of the Government Code. ~~The plan shall identify and~~
11 ~~evaluate~~ *The commission shall consult with the Partnership*
12 *Transit Coordination Council in developing a plan that identifies*
13 *and evaluates* opportunities for improving transit connectivity and
14 shall include, but not be limited to, the following components:

15 (1) A network of key transit hubs connecting regional rapid
16 transit services to one another, and to feeder transit services.
17 "Regional rapid transit" means long-haul transit service that
18 crosses county lines, and operates mostly in dedicated
19 rights-of-way, including freeway high occupancy vehicle lanes,
20 crossing a bridge, or on the bay. The identified transit hubs shall
21 operate either as a timed transfer network or as pulsed hub
22 connections, providing regularly scheduled connections between
23 two or more transit lines.

24 (2) Physical infrastructure and right-of-way improvements
25 necessary to improve system reliability and connections at transit
26 hubs. Physical infrastructure improvements may include, but are
27 not limited to, improved rail-to-rail transfer facilities, including
28 cross-platform transfers, and intermodal transit improvements
29 that facilitate rail-to-bus, rail-to-ferry, ferry-to-ferry, ferry-to bus,
30 and bus-to-bus transfers. Capital improvements identified in the
31 plan shall be eligible for funding in the commission's regional
32 transportation plan.

33 (3) Regional standards and procedures to ensure maximum
34 coordination of schedule connections to minimize transfer times
35 between transit lines at key transit hubs, including, but not limited
36 to, the following:

37 (A) Policies and procedures for improved fare collection.

38 (B) Enhanced trip-planning services, including Internet-based
39 programs, telephone information systems, and printed schedules.

1 (C) Enhanced schedule coordination through the
2 implementation of real-time transit-vehicle location systems that
3 facilitate communication between systems and result in improved
4 timed transfers between routes.

5 (D) Performance measures and data collection to monitor the
6 performance of the connectivity plan.

7 The connectivity plan shall focus on, but not be limited to,
8 feeder transit lines connecting to regional rapid transit services,
9 and the connection of regional rapid transit services to one another.

10 The connectivity plan shall be adopted following a ~~commission~~
11 *Metropolitan Transportation Commission* public hearing at least
12 60 days prior to adoption. The commission shall adopt
13 performance measures and collect appropriate data to monitor the
14 performance of the connectivity plan. The plan shall be evaluated
15 every three years by the commission as part of the update to its
16 regional transportation plan. No agency shall be eligible to receive
17 funds under this section unless the agency is a participant operator
18 in the commission's regional transit connectivity plan.

19 The provisions of this subdivision shall only be effective if the
20 voters approve the toll increase as set forth in Section 30921, and
21 the expenditures incurred by the ~~commission~~ *Metropolitan*
22 *Transportation Commission up to five hundred thousand dollars*
23 *(\$500,000) that are related to the requirements of this subdivision,*
24 including any study and ~~administration~~, shall be ~~reimbursed from~~
25 ~~toll revenues used to fund the project described~~ *reimbursed from*
26 *toll revenues identified in paragraph (33) of subdivision (c) of*
27 *Section 30914.*

28 (e) The TransLink Consortium, per the TransLink Interagency
29 Participation Agreement, shall by July 1, 2007, develop a plan for
30 an integrated fare program covering all regional rapid transit trips
31 funded in full or in part by this section. "Regional rapid transit"
32 means long-haul transit services that cross county lines, and
33 operate mostly in dedicated rights-of-way, including freeway high
34 occupancy vehicle lanes, crossing a bridge, or on the bay.
35 Interregional rail services, originating or terminating from outside
36 the bay area, shall not be considered regional rapid transit. The
37 purpose of the integrated fare program is to encourage greater use
38 of the region's transit network by making it easier and less costly
39 for transit riders whose regular commute involves multizonal
40 travel and may involve the transfer between two or more transit

1 agencies, including regional-to-regional and regional-to-local
2 transfers. The integrated fare program shall include a zonal fare
3 system for the sole purpose of creating a monthly zonal pass
4 (monthly pass), allowing for unlimited or discounted fares for
5 transit riders making a minimum number of monthly transit trips
6 between two or more zones. The number of minimum trips shall
7 be established by the plan. The integrated fare program shall not
8 apply to fare structures that are not purchased on a monthly basis.
9 For the purposes of these zonal fares, geographic zones shall be
10 created in the bay area. To the extent practical, zone boundaries for
11 overlapping systems shall be in the same places and shall
12 correspond to the boundaries of the local transit service areas. A
13 regional rapid transit zone may cover more than one local service
14 area, or may subdivide an existing local service area. The monthly
15 pass shall be created in at least the following two forms:

16 (1) For the use of interzonal regional rapid transit trips without
17 local transit discounts.

18 (2) For the use of interzonal regional rapid transit trips with
19 local transit discounts. The plan may recommend the elimination
20 of existing transit pass arrangements to simplify the marketing of
21 the monthly pass. The integrated fare program shall establish a
22 monitoring program to evaluate the impact of the integrated fare
23 program on the operating finances of the participating agencies.
24 The integrated fare program shall be adjusted as necessary to
25 ensure that the program does not jeopardize the viability of local
26 or regional rapid transit routes impacted by the program, and to the
27 extent feasible, provide an equitable revenue sharing arrangement
28 among the participating agencies. This subdivision shall only be
29 effective if the voters approve the toll increase as set forth in
30 Section 30921, and any expenditures related to the
31 implementation of this subdivision incurred by the TransLink
32 Consortium shall be reimbursed by toll revenues designated in
33 paragraph (35) of subdivision (c) of Section 30914.

34 (f) The Metropolitan Transportation Commission (MTC)
35 shall, by July 1, 2006, adopt a Bay Area Regional Rail Plan (plan)
36 for the development of passenger rail services in the San Francisco
37 Bay area over the short, medium, and long term. The plan shall
38 formulate strategies to integrate passenger rail systems, improve
39 interfaces with connecting services, expand the regional rapid
40 transit network, and coordinate investments with



1 transit-supportive land use. The plan shall be governed by a
2 steering committee consisting of appointees from the Department
3 of Transportation (Caltrans), the San Francisco Bay Area Rapid
4 Transit District (BART), Caltrain, the National Railroad
5 Passenger Corporation (Amtrak), the Capitol Corridor Joint
6 Powers Authority, the Altamont Commuter Express, the
7 California High-Speed Rail Authority, the Metropolitan
8 Transportation Commission (MTC), the Sonoma-Marín Area Rail
9 Transit District (SMART), the *Santa Clara Valley* Transportation
10 Authority, the *Solano Transportation Authority*, and the owners of
11 standard gauge rail. Congestion management agencies and other
12 agencies as determined by the steering committee shall be invited
13 as nonvoting members. Under policy guidance from the steering
14 committee and with input from bay area transit agencies, Caltrain
15 and BART shall provide day-to-day management and technical
16 support for the development of this plan. The plan proposals shall
17 be evaluated using performance criteria, including, but not limited
18 to, transit-supportive land use and access, ridership,
19 cost-effectiveness, regional network connectivity, and capital and
20 operating financial stability. Additional performance criteria shall
21 be developed as necessary. The plan shall include, but not be
22 limited to, all of the following:

23 (1) Identification of issues in connectivity, access, capacity,
24 operations and cost-effectiveness.

25 (2) Identification of opportunities to enhance rail connectivity
26 and to maximize passenger convenience when transferring
27 between systems.

28 (3) Recommendation of improvements to the interface with
29 shuttles, buses, other rail systems, and other feeder modes.

30 (4) Identification of potential impacts on capacity constraints
31 and operations on existing passenger and freight carriers.

32 (5) Identification of bottlenecks where added capacity could
33 cost-effectively increase performance.

34 (6) Recommendation of potential efficiency improvements
35 through economies of scale, such as through joint vehicle
36 procurement and maintenance facilities.

37 (7) Recommendation of strategies to acquire right-of-way and
38 station property to preserve future service options.

39 (8) Identification of potential capital and operating funding
40 sources for proposed actions.



(9) Identification of locations where the presence of passenger rail could stimulate redevelopment and thereby direct growth to the urban core.

(10) Recommendation of technology-appropriate service expansion in specific corridors. Technologies to be considered include conventional rail transit modes, bus rapid transit, and emerging rail technologies. Identify phasing strategies for the implementation of rail services where appropriate.

(11) Examination of how recommendations would integrate with proposed high-speed rail to the Central Valley and southern California.

(12) Recommendation of a governance strategy to implement and operate future regional rapid transit services.

This subdivision shall only be effective if the voters approve the toll increase as set forth in Section 30921, ~~and any~~. Any expenditures incurred by the ~~commission~~ *Metropolitan Transportation Commission or the project sponsors identified in paragraph (33) of subdivision (c) of Section 30914* related to the requirements of this subdivision, including any study and administration, shall be appropriate charges against toll revenue to be reimbursed from toll revenues.

SEC. 66. Section 30915 of the Streets and Highways Code is amended to read:

30915. With respect to all construction and improvement projects specified in Sections 30913 and 30914, project sponsors and the department shall seek funding from all other potential sources, including, but not limited to, the State Highway Account and federal matching funds. The project sponsors and department shall report to the authority concerning the funds obtained under this section.

SEC. 67. Section 30916 of the Streets and Highways Code is amended to read:

30916. (a) The base toll rate for vehicles crossing the state-owned toll bridges within the geographic jurisdiction of the commission as of January 1, 2003, is as follows:

Number of Axles	Toll
Two axles	\$ 1.00
Three axles	3.00

1	Four axles	5.25
2	Five axles	8.25
3	Six axles	9.00
4	Seven axles & more	10.50

5

6 (b) If the voters approve a toll increase in 2004, pursuant to
7 Section 30921, commencing July 1, 2004, the base toll rate for
8 vehicles crossing the bridges described in subdivision (a) is as
9 follows:

10

11	Number of axles	Toll
12	Two axles	\$ 2.00
13	Three axles	4.00
14	Four axles	6.25
15	Five axles	7.25 —
16		9.25
17	Six axles	10.00
18	Seven axles & more	11.50

19

20 (c) The authority shall increase the amount of the toll only if
21 required to meet its obligations on any bonds or to satisfy its
22 covenants under any bond resolution or indenture. The authority
23 shall hold a public hearing before adopting a toll schedule
24 reflecting the increased toll charge.

25 (d) Nothing in this section shall be construed to prohibit the
26 adoption of either a discounted commute rate for two-axle vehicles
27 or of special provisions for high-occupancy vehicles under terms
28 and conditions prescribed by the authority in consultation with the
29 department.

30 SEC. 68. Section 30917 of the Streets and Highways Code is
31 repealed.

32 SEC. 69. Section 30917 is added to the Streets and Highways
33 Code, to read:

34 30917. Pursuant to a special election in 1988 held in the City
35 and County of San Francisco and the Counties of Alameda, Contra
36 Costa, Marin, San Mateo, Santa Clara, and Solano, the voters
37 approved a uniform toll charge of one dollar (\$1) for class I
38 vehicles crossing the state-owned toll bridges within the
39 geographic jurisdiction of the ~~commission~~ *Metropolitan*
40 *Transportation Commission*. Except as provided in Section 30914,



the revenue derived from that toll increase shall be used to finance capital outlay for bridge construction and major bridge improvements as is fiscally practicable.

SEC. 70. Section 30918 of the Streets and Highways Code is amended to read:

30918. It is the intention of the Legislature to maintain tolls on all of the bridges specified in Section 30910 at rates sufficient to meet any obligation to the holders of bonds secured by the bridge toll revenues. The authority, therefore, may increase the toll rates above those specified in an adopted toll schedule only if required for the authority to meet its obligations under any bond resolution or indenture. The authority shall provide at least 30 days' notice to the transportation policy committee of each house of the Legislature and shall hold a public hearing before adopting a toll schedule reflecting the increased toll rate.

SEC. 71. Section 30919 of the Streets and Highways Code is amended to read:

30919. (a) Consistent with its adopted regional transportation plan, after the requirements for debt service on the outstanding toll bridge revenue bonds have been met, the ~~commission~~ *Metropolitan Transportation Commission* shall allocate the revenues identified in subdivision (b) of Section 30913 to eligible public entities and to the department.

(b) The revenues expended pursuant to paragraph (4) of subdivision (a) of Section 30914 shall be expended on rail extension and improvement projects designed to reduce vehicular traffic congestion on the San Francisco-Oakland Bay Bridge. Seventy percent of the revenues shall be expended on rail extensions and improvement projects in the Counties of Alameda and Contra Costa, including, but not limited to, extending the regional rail system in the Concord-Antioch, Fremont-San Jose, and the Bayfair-Livermore rail transit corridors. The remaining 30 percent shall be expended on rail extensions and improvement projects in the City and County of San Francisco and the Counties of San Mateo and Santa Clara.

(c) The ~~commission~~ *Metropolitan Transportation Commission* may commit to multiyear allocations and expenditures for projects over extended time periods to maximize funding opportunities and project progress.

1 SEC. 72. Section 30920 of the Streets and Highways Code is
2 amended to read:

3 30920. The authority may issue toll bridge revenue bonds to
4 finance any or all of the projects, including those specified in
5 Sections 30913 and 30914, if the issuance of the bonds does not
6 adversely affect the minimum amount of toll revenue proceeds
7 designated in ~~Sections~~ *Section 30913 and in paragraph (4) of*
8 *subdivision (a) of, and subdivision (b) of, Section 30914* for rail
9 extension and improvement projects and transit projects to reduce
10 vehicular traffic. A determination of the authority that a specific
11 project or projects shall have no adverse effect will be binding and
12 conclusive in all respects.

13 SEC. 73. Section 30921 of the Streets and Highways Code is
14 repealed.

15 SEC. 74. Section 30921 is added to the Streets and Highways
16 Code, to read:

17 30921. (a) The toll rate for vehicles crossing the bridges
18 described in Section 30916 shall not be increased to the rate
19 described in subdivision (b) of Section 30916 prior to the
20 availability of the results of a special election to be held in the City
21 and County of San Francisco and the Counties of Alameda, Contra
22 Costa, Marin, San Mateo, Santa Clara, and Solano to determine
23 whether the residents of those counties and of the City and County
24 of San Francisco approve a toll increase in the amount of one dollar
25 (\$1) per vehicle. The revenue derived from this toll increase shall
26 be used to finance capital outlay for construction improvements,
27 the acquisition of transit vehicles, transit operating assistance, and
28 other improvement projects to reduce congestion and to improve
29 travel options on the bridge corridors as is fiscally practicable.

30 (b) Notwithstanding any provision of the Elections Code, the
31 board of supervisors of the City and County of San Francisco and
32 of each of the counties described in subdivision (a) shall call a
33 special election to be conducted in the City and County of San
34 Francisco and in each of the counties that shall be consolidated
35 with the March 2, 2004, primary election. The following question
36 shall be submitted to the voters as Regional Measure 2 and stated
37 separately in the ballot from state and local measures: "Shall
38 voters authorize a Regional Traffic Relief Plan ~~that authorizes a~~
39 ~~one-dollar (\$1) toll surcharge effective July 1, 2004, on all bay area~~
40 ~~toll bridges except the Golden Gate Bridge, authorizes the Bay~~

~~Area Toll Authority to undertake a revenue bond program to finance the transportation projects approved by the plan, and directs revenues generated through the collection of the bridge toll surcharge to the following transportation projects: directing revenues generated through the collection of bridge tolls to provide the following projects:~~

(1) Expand and extend BART.

(2) New transbay commuter rail crossing south of the San Francisco-Oakland Bay Bridge.

(3) Comprehensive Regional Express bus network.

(4) New expanded ferry service.

(5) Better connections between BART, buses, ferries, and rail-

~~(6) Other transportation projects approved by the plan?"~~

~~(e) ?" The question shall inform the voters that approval of the Regional Traffic Relief Plan authorizes a one dollar (\$1) toll increase effective July 1, 2004, on all toll bridges in the Bay Area, except the Golden Gate Bridge.~~

(c) The ballot pamphlet for the special election described in subdivision (b) shall include a detailed description of the Regional Traffic Relief Plan detailing the projects, services, and planning requirements set forth in subdivisions (c) and (d) of Section 30914 and subdivisions (d), (e), and (f) of Section 30914.5. The Metropolitan Transportation Commission shall prepare this description of the Regional Traffic Relief Plan.

(d) The county clerks shall report the results of the special election to the authority. If a majority of all voters voting on the question at the special election vote affirmatively, the authority shall adopt the increased toll schedule to be effective July 1, 2004.

~~(d)~~

(e) If a majority of all the voters voting on the question at the special election do not approve the toll increase, the authority may by resolution resubmit the measure to the voters at a subsequent general election. If a majority of all of the voters vote affirmatively on the measure, the authority may adopt the toll increase and establish its effective date *and establish the completion dates for all reports and studies required by Sections 30914, 30914.5, and 30950.3.*

~~(e)~~

(f) The authority shall reimburse each county and city and county participating in the election for the incremental cost of

1 submitting the measure to the voters. These costs shall be
2 reimbursed from revenues derived from the tolls if the measure is
3 approved by the voters, or, if the measure is not approved, from
4 any bridge toll revenues administered by the authority.

5 ~~(f)~~

6 (g) Except as provided in Section 30918, the toll rates
7 contained in a toll schedule adopted by the authority pursuant to
8 this section shall not be changed without statutory authorization by
9 the Legislature.

10 SEC. 75. Section 30922 is added to the Streets and Highways
11 Code, to read:

12 30922. Any action or proceeding to contest, question, or deny
13 the validity of the toll increase provided for in this chapter, the
14 financing of the transportation program contemplated by this
15 chapter, the issuance of any bonds secured by those tolls, or any
16 of the proceedings in relation thereto, shall be commenced within
17 60 days from the date of the election at which the toll increase is
18 approved. After that date, the financing of the program, the
19 issuance of the bonds, and all proceedings in relation thereto,
20 including the adoption, approval, and collection of the toll
21 increase, shall be held valid and incontestable in every respect.

22 SEC. 76. Section 30950 of the Streets and Highways Code is
23 amended to read:

24 30950. For the purposes of this chapter, Chapter 4
25 (commencing with Section 30910), and Chapter 4.5 (commencing
26 with Section 31000), “the authority” is the Bay Area Toll
27 Authority, which is hereby created. The authority is a public
28 instrumentality governed by the same board as that governing the
29 Metropolitan Transportation Commission. The authority is,
30 however, a separate entity from the Metropolitan Transportation
31 Commission.

32 SEC. 77. Section 30950.1 of the Streets and Highways Code
33 is amended to read:

34 30950.1. The authority shall adopt an annual budget. The
35 members of the authority shall be compensated as determined by
36 the authority and shall be reimbursed for necessary and reasonable
37 expenses incurred in connection with performing authority duties.
38 The authority shall pay all costs required by this section.

39 SEC. 78. Section 30950.2 of the Streets and Highways Code
40 is amended to read:

1 30950.2. The authority is responsible for the programming,
2 administration, and allocation of all toll revenues, except revenues
3 from the seismic retrofit surcharge, from state-owned toll bridges
4 within the geographic jurisdiction of the Metropolitan
5 Transportation Commission. After completion of the seismic
6 projects and payment or provision for the payment of all bonds
7 issued for the seismic projects, the authority may assume
8 responsibility for the programming, administration, and allocation
9 of the revenue derived from the seismic retrofit surcharge.

10 SEC. 79. Section 30950.3 of the Streets and Highways Code
11 is amended to read:

12 30950.3. (a) The authority shall prepare, adopt, and from
13 time to time revise, a long-range plan for the completion of all
14 projects *within its jurisdiction, including those of the Regional*
15 *Traffic Relief Plan.*

16 ~~(b) The authority shall not allocate any toll revenues for any~~
17 ~~capital improvement projects, except those projects included in the~~
18 ~~long-range plan required under subdivision (a) and those projects~~
19 ~~funded pursuant to Article 3.5 (commencing with Section 30880)~~
20 ~~of Chapter 3.~~

21 ~~(c)~~

22 (b) The authority shall give first priority to projects and
23 expenditures that are deemed necessary by the department to
24 preserve and protect the bridge structures.

25 SEC. 80. Section 30950.4 of the Streets and Highways Code
26 is amended to read:

27 30950.4. All authority of the California Transportation
28 Commission as to the bay area bridges is transferred to the
29 authority.

30 SEC. 81. Section 30951 of the Streets and Highways Code is
31 repealed.

32 SEC. 82. Section 30951 is added to the Streets and Highways
33 Code, to read:

34 30951. The authority is authorized in its own name to do all
35 acts necessary or convenient for the exercise of its powers under
36 this division and the financing of projects, including, but not
37 limited to, the following:

38 (a) To make and enter into contracts.

39 (b) To employ agents or employees.

1 (c) To acquire, construct, manage, maintain, lease, or operate
2 any public facility or improvements.

3 (d) To sue and be sued in its own name.

4 (e) To issue bonds and otherwise to incur debts, liabilities, or
5 obligations.

6 (f) To apply for, accept, receive, and disburse grants, loans, and
7 other assistance from any agency of the United States of America
8 or of the State of California.

9 (g) To invest any money not required for the immediate
10 necessities of the authority, as the authority determines is
11 advisable.

12 (h) To apply for letters of credit or other forms of financial
13 guarantees in order to secure the repayment of bonds and to enter
14 into agreements in connection with those letters of credit or
15 financial guarantees.

16 SEC. 83. Section 30953 of the Streets and Highways Code is
17 amended to read:

18 30953. Except for the revenues from the seismic retrofit
19 surcharge, toll revenues and all other income derived from bridges
20 pursuant to Chapter 4 (commencing with Section 30910) shall be
21 deposited in the Bay Area Toll Account, which is hereby created.

22 SEC. 84. Section 30956 of the Streets and Highways Code is
23 repealed.

24 SEC. 85. Section 30958 of the Streets and Highways Code is
25 amended to read:

26 30958. After payments for debt service on outstanding bonds,
27 and the costs for the operation and maintenance expenses set forth
28 in Section 30952 are provided for, and after all direct operating
29 costs of the authority are provided for, the authority may retain, for
30 its cost in administering this article, an amount not to exceed 1
31 percent of the gross annual bridge revenues.

32 SEC. 86. Section 30960 of the Streets and Highways Code is
33 amended to read:

34 30960. (a) The authority may issue both defeasance and
35 future capital project bonds payable from the revenues of the tolls
36 imposed on the bridges described in Section 30910. The bonds or
37 commercial paper may be issued by the authority at any time, and
38 from time to time, payable from the revenues from the tolls. The
39 bonds or commercial paper shall be referred to as “toll bridge
40 revenue bonds.”



1 (b) The revenues from the tolls on the bridges described in
2 Section 30910 shall be subject to a statutory lien in favor of the
3 bondholders to secure all amounts due on the bonds and in favor
4 of any provider of credit enhancement for the bonds to secure all
5 amounts due to that provider with respect to those bonds, and the
6 lien shall immediately attach to those toll revenues and be
7 effective, binding, and enforceable against the authority, its
8 successors, creditors, and all others asserting rights therein,
9 irrespective of whether those parties have notice of the lien and
10 without the need for any physical delivery, recordation, filing, or
11 further act, and the toll revenues shall remain subject to that lien
12 until all bonds are paid in full or provision made therefor, and the
13 bridges shall not become toll-free prior to that time.

14 (c) The liens on toll revenues created by this chapter shall be
15 subject to expenditures for operation and maintenance of the
16 bridges, including toll collection, unless those expenditures are
17 otherwise provided for by statute.

18 (d) Interest on any bonds issued pursuant to this chapter shall
19 at all times be free from state personal income tax and corporate
20 income tax.

21 SEC. 87. Section 30961 of the Streets and Highways Code is
22 amended to read:

23 30961. Toll bridge revenue bonds shall be issued pursuant to
24 a resolution adopted at any time, and from time to time, by the
25 authority by a majority vote of all members of the authority.

26 (a) The authority may from time to time issue bonds in
27 accordance with the Revenue Bond Law of 1941 (Chapter 6
28 (commencing with Section 54300) of Part 1 of Division 2 of Title
29 5 of the Government Code), for the purpose of constructing,
30 improving, or equipping any of the bridges or for any of the
31 purposes authorized by this chapter, Chapter 4 (commencing with
32 Section 30910), or Chapter 4.5 (commencing with Section
33 31000). Operation of the bridges or any grouping or units thereof
34 shall constitute an “enterprise” within the meaning of Section
35 54309 of the Government Code, and the authority shall constitute
36 a “local agency” within the meaning of Section 54307 of the
37 Government Code. Article 3 (commencing with Section 54380) of
38 Chapter 6 of Part 1 of Division 2 of Title 5 of the Government Code
39 shall not apply to the issuance and sale of bonds pursuant to this

chapter. Instead, the authority shall authorize the issuance of bonds by resolution, and that resolution shall specify all of the following:

- (1) The purposes for which the bonds are to be issued.
- (2) The maximum principal amount of the bonds.
- (3) The maximum term for the bonds or commercial paper.
- (4) The maximum rate of interest to be payable upon the bonds or commercial paper. That interest rate shall not exceed the maximum rate specified in Section 53531 of the Government Code. The rate may be either fixed or variable and shall be payable at the times and in the manner specified in the resolution.

(b) The authority shall keep full and complete accounts for toll revenues and expenses of the toll bridges and shall annually prepare balance sheets showing the financial condition of the entire toll bridge enterprise as well as toll revenues and operating costs for each toll bridge. The accounts and related reports shall be maintained and prepared in accordance with generally accepted accounting practices and shall be subject to an annual audit conducted by an independent certified public accountancy firm licensed to practice in the state.

SEC. 88. Section 31000 of the Streets and Highways Code is amended to read:

31000. The following definitions apply for purposes of this chapter:

(a) “Account” means the Toll Bridge Seismic Retrofit Account created pursuant to Section 188.10.

(b) “Amenities” means any of the following:

- (1) A cable suspension bridge.
- (2) A bicycle facility.
- (3) A transbay terminal.

(c) “Authority” means the Bay Area Toll Authority.

(d) “Bay area bridges” means the state-owned toll bridges within the area of the geographic jurisdiction of the Metropolitan Transportation Commission.

(e) “Department” means the Department of Transportation.

(f) “Seismic retrofit” means all work completed by the department on the bay area bridges relating to the planning, design, and construction of improvements to, or replacement of, those bridges for the purpose of withstanding seismic forces, including, but not limited to, any environmental or traffic mitigation necessary for that work.

1 (g) “Surcharge” means the seismic retrofit surcharge imposed
2 pursuant to Section 31010.

3 SEC. 89. Section 31010 of the Streets and Highways Code is
4 amended to read:

5 31010. (a) There is hereby imposed a seismic retrofit
6 surcharge equal to one dollar (\$1) per vehicle for passage on the
7 bay area bridges, except for vehicles that are authorized toll-free
8 passage on these bridges.

9 (b) Funds generated by subdivision (a) may not be used to
10 repay nontoll revenues committed to fund projects identified in
11 paragraph (2) of subdivision (a) of Section 188.5. Following the
12 date of the submission of the final report required in subdivision
13 (d) of Section 188.5, funds generated pursuant to subdivision (a)
14 that are in excess of those needed to meet the toll commitment as
15 specified by paragraph (4) of subdivision (b) of Section 188.5,
16 including annual debt service payments, if any, required to support
17 the commitment, and other elements required to meet the
18 obligations of the department’s financing plan, shall be available
19 to the authority for funding, consistent with Sections 30913 and
20 30914, the purposes and projects described in those sections. The
21 department shall transfer to the authority on an annual basis the
22 funds made available to the authority under this subdivision.

23 (c) There shall be no increase in the seismic retrofit surcharge
24 beyond the level identified in subdivision (a) for the purposes
25 identified in paragraph (4) of subdivision (a) of Section 188.5,
26 except that the department shall have the authority to increase the
27 seismic retrofit surcharge for debt service purposes only if the
28 bank finds and the Department of Finance confirms that both of the
29 following apply:

30 (1) Extraordinary circumstances exist that jeopardize the
31 payment of debt service for which toll revenues are authorized,
32 and all other financial resources for meeting toll commitments
33 have been exhausted.

34 (2) Bonds issued under Chapter 4.3 (commencing with Section
35 30950) shall not be impaired solely by action taken under this
36 section, as evidenced by confirmation of the then existing ratings
37 on those bonds, by the rating agencies then rating the bonds.

38 (d) The term of the financing plan developed by the department
39 under Section 31071, for the purposes of funding the projects

described in Sections 30913 and 30914, is extended for a period of 30 years commencing on January 1, 2008.

(e) This section shall remain in effect only until the date that the California Transportation Commission notifies the Secretary of State that sufficient funds have been generated to meet the obligations identified in paragraph (4) of subdivision (b) of Section 188.5, and repayment of any outstanding debt secured by tolls, and as of that date is repealed. The California Transportation Commission shall provide the notice described in this subdivision upon making the determination set forth in this subdivision.

SEC. 90. Section 5205.5 of the Vehicle Code is amended to read:

5205.5. (a) For the purposes of implementing Section 21655.9, beginning July 1, 2000, and through December 31, 2003, the department, in consultation with the Department of the California Highway Patrol, shall make available for issuance, for a fee determined by the department to be sufficient to reimburse the department for actual costs incurred pursuant to this section, distinctive decals, labels, or other identifiers for vehicles that meet California's ultra-low emission vehicle (ULEV) standard for exhaust emissions and the federal ILEV evaporative emission standard, as defined in Part 88 (commencing with Section 88.101-94) of Title 40 of the Code of Federal Regulations, in a manner that clearly distinguishes them from other vehicles.

(b) For the purposes of implementing Section 21655.9, beginning January 1, 2004, and through December 31, 2007, the department shall make available for issuance, for a fee determined by the department to be sufficient to reimburse the department for actual costs incurred pursuant to this section, distinctive decals, labels, and other identifiers for vehicles that meet California's super ultra-low emission vehicle (SULEV) standard for exhaust emissions and the federal inherently low-emission vehicle (ILEV) evaporative emission standard, as defined in Part 88 (commencing with Section 88.101-94) of Title 40 of the Code of Federal Regulations, in a manner that clearly distinguishes them from other vehicles.

(c) The department shall include a summary of the provisions of this section on each motor vehicle registration renewal notice, or on a separate insert, if space is available and the summary can be included without incurring additional printing or postage costs.

(d) The Governor may remove individual high-occupancy vehicle (HOV) lanes, or portions of those lanes, during periods of peak congestion from the ILEV access provisions provided in subdivisions (a) and (b), following a finding by the Department of Transportation as follows:

(1) The lane, or portion thereof, exceeds a level of service C, as discussed in subdivision (b) of Section 65089 of the Government Code.

(2) The operation or projected operation of the vehicles described in subdivisions (a) and (b) in these lanes, or portions thereof, will significantly increase congestion.

The finding also shall demonstrate the infeasibility of alleviating the congestion by other means, including, but not limited to, reducing the use of the lane by noneligible vehicles, further increasing vehicle occupancy, or adding additional capacity.

(e) For purposes of subdivisions (a) and (b), the Department of the California Highway Patrol shall design and specify the placement of the decal, label, or other identifier on the vehicle. Each decal, label, or other identifier issued for a vehicle shall display a unique number, which number shall be printed on, or affixed to, the vehicle registration.

(f) If the Metropolitan Transportation Commission, serving as the Bay Area Toll Authority, grants toll-free and reduced-rate passage on toll bridges under its jurisdiction to any vehicle pursuant to Section 30102.5 of the Streets and Highways Code, it shall also grant the same toll-free and reduced-rate passage to vehicles displaying a valid ULEV or SULEV identifier issued by the department pursuant to subdivisions (a) and (b).

(g) This section shall remain in effect only until January 1, 2008, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2008, deletes or extends that date.

SEC. 91. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because this act provides for offsetting savings to local agencies or school districts that result in no net costs to the local agencies or school districts, within the meaning of Section 17556 of the Government Code.